



# COUNTY OF SAN DIEGO

## LAND USE AGENDA ITEM

### BOARD OF SUPERVISORS

GREG COX  
First District

DIANNE JACOB  
Second District

DAVE ROBERTS  
Third District

RON ROBERTS  
Fourth District

BILL HORN  
Fifth District

**DATE:** April 10, 2013

**XX**

**TO:** Board of Supervisors

**SUBJECT:** HOUSING ELEMENT UPDATE; GENERAL PLAN AMENDMENT 12-009  
(DISTRICTS: ALL)

### SUMMARY

#### Overview

The County General Plan Housing Element (Element) is a comprehensive assessment of current and projected housing needs for all special needs and economic segments of the unincorporated county. This Element must identify sites on the General Plan land use map with appropriate zoning and with services and facilities to accommodate the unincorporated county's projected housing needs. The Element is one of seven mandatory elements of the General Plan. State law dictates the contents of the Element, along with the schedule for when the Element must be adopted.

The Element was last adopted on August 3, 2011, and approved by the State Department of Housing and Community Development in November 2011, as part of the comprehensive General Plan Update. State law requires that the Element be updated 18 months following the adoption of the Regional Transportation Plan by the San Diego Association of Governments, which occurred in October 2011. Therefore, the County is required to update its Element by April 30, 2013.

Because the Housing Element was comprehensively revised in 2011, only minor changes are necessary to bring it into compliance with State law. Today's request is to adopt a Resolution approving the update of the Housing Element and to receive and accept the 2012 Housing Element Annual Report.

### Recommendation(s)

#### PLANNING COMMISSION

The Planning Commission voted to make the following recommendations to the Board of Supervisors:

1. Find that the Board has reviewed and considered the information contained in the Final Program Environmental Impact Report, dated August 3, 2011 on file with Planning & Development Services (PDS) as Environmental Review Number 02-ZA-001, and the addendum thereto, dated February 8, 2013 on file with PDS as GPA 12-009, prior to making

**SUBJECT: HOUSING ELEMENT UPDATE; GENERAL PLAN AMENDMENT 12-009  
(DISTRICTS: ALL)**

its recommendation on the project.

2. Recommend that the Board adopt the Resolution entitled: A RESOLUTION OF THE SAN DIEGO COUNTY BOARD OF SUPERVISORS ADOPTING GENERAL PLAN AMENDMENT (GPA) 12-009 HOUSING ELEMENT UPDATE [FIFTH REVISION] (Attachment A, on file with the Clerk of the Board)

**DEPARTMENT OF PLANNING & DEVELOPMENT SERVICES**

1. Planning & Development Services (PDS) concurs with the recommendations of the Planning Commission; and
2. Recommends that the Board receive and accept the 2012 Housing Element Annual Report, which was also included in the 2012 General Plan Annual Progress Report. (Attachment B, on file with the Clerk of the Board)

**Fiscal Impact**

There is no fiscal impact associated with adoption of the Housing Element update. There will be no change in net General Fund cost and no additional staff years. If future activities related to implementation of the updated Housing Element require additional resources, such needs will be addressed in future County operational plans.

**Business Impact Statement**

The Housing Element facilitates development of housing suitable for all income levels. The document focuses on identifying available sites with appropriate densities to construct multi-family housing. The Housing Element Implementation Plan provides programs to facilitate affordable and special needs housing, financial assistance and the reduction of government constraints related to affordable housing.

**Advisory Board Statement**

None

**Background**

The provision of affordable housing in the San Diego area has been a challenge during both economic boom and bust years. During economic growth cycles, high demand for housing often pushes housing prices out of reach for low and moderate income households. During the current economic recession (precipitated by the housing and finance bubble), housing prices have dropped, but lack of jobs and tightening of the credit market have equally denied these households adequate housing opportunities. In addition, housing prices have historically trended upwards and are expected to increase again when the economy recovers. Tax increment financing, where 20% of the redevelopment funds were required to be set aside for affordable housing, was a key source of affordable housing program funds. However, AB 26 dissolved redevelopment agencies and the State appropriated those funds for State programs.

Government Code Section 65583, states that the Housing Element for each jurisdiction consist of the identification and analysis of existing and projected housing needs and a statement of goals, policies, programs, strategies, quantified objectives, financial resources, and scheduled programs for the

**SUBJECT: HOUSING ELEMENT UPDATE; GENERAL PLAN AMENDMENT 12-009  
(DISTRICTS: ALL)**

preservation, improvement and development of housing. The Housing Element must identify adequate sites for housing, including rental housing, factory-built housing and mobile homes, and make adequate provisions for the existing and projected needs of all economic segments of the community. The Housing Element must demonstrate how the jurisdiction could accommodate projected housing needs by income category.

The Housing Element is required to be adopted 18 months following the adoption of the Regional Transportation Plan by the San Diego Association of Governments. For the County, State law requires that the Housing Element be updated by April 30, 2013.

**Project Description**

The current Housing Element was last adopted on August 3, 2011, and approved by the State Department of Housing and Community Development in November 2011, as part of the comprehensive General Plan Update (GPU). Given the recent adoption of the GPU, only minor changes are necessary to comply with State law. A consistency review of the Housing Element update is provided as Attachment C. A summary of the changes is provided below:

**A. Housing Element Goals and Policies**

The proposed revisions to the Goals and Policies document include minor changes to the existing background text to reflect current Regional Housing Needs Assessment (RHNA) requirements. No changes are proposed to the actual goals and policies except to correct a typographical error. Attachment D includes the revisions to the Goals and Policies document in track changes, along with a summary of changes to the document.

**B. Housing Element Background Report**

The Background Report is provided as Attachment E. The primary components of the Background Report are identified below.

**i. Census Data**

The existing Background Report contains data from the 2000 Census. In this revision to the Housing Element, the entire Background Report has been revised to incorporate current data, including the 2010 Census. This updated data was then analyzed to determine future housing needs.

**ii. Regional Housing Needs Assessment**

State Housing Element law requires that a local jurisdiction demonstrate how it can accommodate a share of the region's projected housing needs for all segments of the population during the planning period. This share is derived from the Regional Housing Needs Assessment (RHNA).

The San Diego Association of Governments (SANDAG), as the regional planning agency, is responsible for allocating the RHNA to individual jurisdictions. After determining the region's housing needs number through consultation with the California Department of Housing and Community Development (HCD), SANDAG utilized the forecasted pattern of development from its 2050 Regional Growth Forecast which distributes housing and employment growth at a

**SUBJECT: HOUSING ELEMENT UPDATE; GENERAL PLAN AMENDMENT 12-009  
(DISTRICTS: ALL)**

jurisdictional level.

The RHNA for this update forecasts future housing needs for the projection period of 2010 through 2020, a total of eleven years. The RHNA is broken down according to the following income categories: very low, low, moderate and above moderate households. For the 2010-2020 projection period, the County of San Diego is allocated a RHNA of 22,412 residential units as follows:

- Very Low-Income (50 percent or less of Area Median Income (AMI)): 9.3 percent (2,085 units),
- Low-Income (51 to 80 percent of AMI): 7.1 percent (1,585 units),
- Moderate-Income (81 to 120 percent of AMI): 26.2 percent (5,864 units), and
- Above Moderate-Income (more than 120 percent of AMI): 57.4 percent (12,878 units).

iii. Sites Inventory

The General Plan land use map has sufficient capacity to accommodate over 64,000 future dwelling units so its RHNA requirement for Above Moderate Income housing is satisfied. The Sites Inventory presented in this Housing Element focuses on the identification of sites that provide the opportunity for the development of Very Low, Low, and Moderate Income housing requirements.

The Sites Inventory is based on the current General Plan land use map and documents the availability of residential sites at adequate densities to accommodate the RHNA. It lists vacant or underutilized properties with density designations that provide the opportunity to build affordable housing. Housing Element law equates higher density with more affordable homes. Thus, properties with density designations that allow for multifamily construction (such as 10.9 to 24 or more units per acre) generally present a better opportunity to build housing affordable to lower income households than does a property with density that only allow for single family construction.

In compiling an inventory of vacant and underutilized sites, the County used GIS to identify parcels with General Plan residential designations that support multi-family development (10.9 to 30 units per acre). Each identified site was then evaluated to determine its suitability for development, using aerial photographs and parcel-specific constraints data. Sites included in the inventory have minimal environmental constraints and are suitable for multi-family development within the Housing Element planning period. In addition, underutilized sites were reviewed to ascertain the likelihood of redevelopment within the planning period. Only sites that met at least two of the following three criteria were included:

- The assessed value of the land is greater than the assessed value of the improvements.
- The primary structure was built at least 30 years ago.
- The residential density allowed on the property is at least three times greater than the currently existing number of residences.

**SUBJECT: HOUSING ELEMENT UPDATE; GENERAL PLAN AMENDMENT 12-009  
(DISTRICTS: ALL)**

The inventory is organized by community with the list of available sites followed by maps that identify the density of each site, aerial views, environmental constraints, and sensitive habitat. The Sites Inventory is included as Appendix 1 of the Housing Element Background Report (Attachment E).

**C. Housing Element Implementation Plan**

The General Plan goals and policies are carried out through an Implementation Plan which consists of implementation measures and programs. The Housing Element action programs are included as Section 3 of the General Plan Implementation Plan. The Housing Element differs from the other General Plan elements in that many of the programs which implement the Housing Element are required by State housing law. The programs address affordable and special needs housing, financial assistance, and the reduction of government constraints related to affordable housing. In addition to required programs, implementation of the Housing Element also includes long-range programs to guide development planning beyond the horizon of the current housing cycle.

The County's Housing and Community Development Department (County HCD) is a major partner in providing programs that promote and assist affordable housing. County HCD provides financial assistance for subsidized housing developments in the unincorporated county, as well as some incorporated cities, and has been an active participant in the preparation of this Housing Element update.

Staff reviewed the achievements of each program during the last cycle and determined that only minimal revisions to the listed programs are needed. The most significant change includes realigning some program objectives with a reduction in currently available funding. The future use of defunct redevelopment funds has been raised in public comment, but the distribution of these funds is beyond the scope of this action. Recommended changes to the Housing Element Implementation Plan are provided as Attachment F.

**Project Issues**

This project does not have significant issues; however, the following are worth noting:

**A. Required State HCD Approval**

This is the only General Plan regional element that is required by State law to be updated according to a specific schedule. It must include specific information and analyses and is subject to review and approval by State HCD (Government Code Sections 65580 – 65589.8), which issued tentative approval of the draft on March 11, 2013. (Attachment H) Currently the County must adopt a new update every four years. However, if the County meets the adoption deadlines, the Housing Element will be on an eight-year cycle following the update adopted in 2021. The adoption deadline for this update is April 30, 2013. Without an adopted Housing Element, the County's General Plan may be subject to legal challenges and County HCD will not be eligible to qualify for State housing funds. Since 2005, County HCD has received more than \$2.3 million in State funding for first-time homebuyer program.

**B. Additional residential units due to longer planning period**

**SUBJECT: HOUSING ELEMENT UPDATE; GENERAL PLAN AMENDMENT 12-009  
(DISTRICTS: ALL)**

The Sites Inventory has identified a sufficient number of sites to meet the County's RHNA goals. However, because this RHNA forecasts housing needs that accommodate a longer planning period than the planning period for the last RHNA, 2,841 sites had to be added to those identified in the previous Sites Inventory adopted in 2011. Staff identified enough sites to meet the County's RHNA without any land use map revisions. Densities on the map were not increased or decreased.

While the Background Report includes analysis and justification that support staff findings, the inventory is subject to review and approval from State HCD. The inventory identifies a sufficient number of sites to meet State housing forecasts but there is very little excess. If State HCD determines that inclusion of some sites is inconsistent with State law, identification of additional sites will be necessary. Within three years, the County would need to revise the Land Use Map to designate a sufficient number of parcels at an increased density to satisfy RHNA requirements. That said, State HCD issued a tentative approval of this proposed Housing Element on March 11, 2013.

**Public Outreach**

The primary public outreach for this Housing Element update is coordinated through the 26 community planning and sponsor groups (CPG/CSG) that provide input and recommendations to County staff, Planning Commission and Board of Supervisors. Therefore, each CPG and CSG was initially contacted and provided an explanation of the purpose and scope of this most recent Housing Element update. After the initial notification, each CPG/CSG was provided the proposed changes to the Housing Element update and was also offered the opportunity to discuss questions or concerns with staff. In addition, the draft Housing Element update was advertised in local newspapers and made available to the public for review on the County's website since February 20<sup>th</sup> (Attachment I). Seven planning groups requested that staff attend a meeting and provide information on the specific sites identified in the Sites Inventory for their community (Alpine, Bonsall, Fallbrook, Lakeside, Ramona, Spring Valley, and Valley Center).

County staff also contacted all interested stakeholders who submitted comments on the Housing Element during the General Plan Update or asked to be included in public outreach for the Housing Element, such as affordable housing advocates, advocates for farmworker housing and the San Diego Housing Federation. In March, a meeting was held with advocates from the San Diego Housing Federation to address their suggestions for affordable housing program best practices in relation to the Housing Element's Implementation Plan.

**Department Reasons for Recommendation**

The rationale for approving the County General Plan Housing Element update is provided below.

1. State Law: The Housing Element is required to be adopted 18 months following the adoption of the Regional Transportation Plan by the San Diego Association of Governments. For the County, State law requires that our updated Housing Element be adopted by April 30, 2013. Currently the County must adopt a new update every four years. However, if it meets the adoption deadlines, it will be on an eight-year cycle following the update adopted in 2021. Without an adopted Housing Element, the County's General Plan may be subject to legal challenges and County HCD is not eligible to qualify for State housing

**SUBJECT:** HOUSING ELEMENT UPDATE; GENERAL PLAN AMENDMENT 12-009  
(DISTRICTS: ALL)

funds.

2. Minor Revisions: The current Housing Element was last adopted on August 3, 2011; therefore, very few changes are required under this update.
3. General Plan: The proposed update is internally consistent with the General Plan, community plans and the Zoning Ordinance (refer to Attachment C).
4. California Environmental Quality Act (CEQA): The Update has been reviewed in compliance with the CEQA and the project qualifies for an Addendum to the General Plan Update Environmental Impact Report (EIR) under CEQA Section 15164.

### **Environmental Statement**

The project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and the project qualifies for an Addendum to the General Plan Update Environmental Impact Report (EIR) under CEQA Section 15164. An EIR Addendum dated February 8, 2013 has been prepared for the project and is on file with Planning & Development Services. There are no changes in the project, no changes in the circumstances under which the project is undertaken, or no new information which results in a new significant environmental effect or a substantial increase in the severity of a previously identified significant environmental effect since the certification of the previous Environmental Impact Report for the project dated August 3, 2011, on file with PDS as Environmental Review Number 02-ZA-001. See the EIR Addendum for more information (Attachment G).

### **Linkage to the County of San Diego Strategic Plan**

The Housing Element update supports the Sustainable Environments and Healthy Families Strategic Initiatives in the County of San Diego's 2013-2018 Strategic Plan by ensuring land is appropriately zoned to accommodate housing at all income levels and that programs are in place to address affordable and special needs housing, financial assistance, and the reduction of government constraints related to affordable housing. Adequate housing for families of all income levels is essential to ensure the goal is met for a safe, health and thriving county.

Respectfully submitted,



SARAH E. AGHASSI  
Deputy Chief Administrative Officer

### **ATTACHMENT(S)**

- A. Resolution
- B. 2012 Housing Element Annual Report
- C. Project Consistency Review
- D. Revisions to Goals & Policies Document and Summary of Changes
- E. Background Report and Sites Inventory
- F. Implementation Plan Revisions

**SUBJECT:** HOUSING ELEMENT UPDATE; GENERAL PLAN AMENDMENT 12-009  
(DISTRICTS: ALL)

G. Environmental Documentation

H. California Housing and Community Development Letter of Tentative Approval

I. Public Comment Correspondence



**SUBJECT:** HOUSING ELEMENT UPDATE; GENERAL PLAN AMENDMENT 12-009  
(DISTRICTS: ALL)

**|AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**      ☐      Yes      ☒      No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**  
☐      Yes      ☒      No

**PREVIOUS RELEVANT BOARD ACTIONS:**  
N/A

**BOARD POLICIES APPLICABLE:**  
N/A

**BOARD POLICY STATEMENTS:**  
N/A

**MANDATORY COMPLIANCE:**  
N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION  
NUMBER(S):**  
N/A

**ORIGINATING DEPARTMENT:** Planning & Development Services

**OTHER CONCURRENCE(S):** Housing & Community Development

**CONTACT PERSON(S):**

Mark Wardlaw

Name

858-694-2962

Phone

Mark.Wardlaw@sdcounty.ca.gov

E-mail

Dixie Switzer

Name

858-694-3041

Phone

Dixie.Switzer@sdcounty.ca.gov

E-mail